

114TH CONGRESS
1ST SESSION

S. 1296

To establish the American Infrastructure Bank to offer States the option for more flexibility in financing and funding infrastructure projects.

IN THE SENATE OF THE UNITED STATES

MAY 12, 2015

Mrs. FISCHER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish the American Infrastructure Bank to offer States the option for more flexibility in financing and funding infrastructure projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Build USA Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

TITLE I—AMERICAN INFRASTRUCTURE BANK

Sec. 101. Establishment of American Infrastructure Bank.

Sec. 102. State remittance agreements with Bank.

Sec. 103. Loans to States and units of local government for transportation projects.

TITLE II—CAPITALIZATION OF BANK

Sec. 201. Allowance of temporary dividends received deduction for dividends received from a controlled foreign corporation.

Sec. 202. Appropriations to Bank.

1 SEC. 2. DEFINITIONS.

2 In this Act:

3 (1) BANK.—The term “Bank” means the
4 American Infrastructure Bank established by section
5 101(a).

6 (2) BOARD.—The term “Board” means the
7 Board of Directors of the Bank.

8 (3) CORE INFRASTRUCTURE PROJECT.—The
9 term “core infrastructure project” means a Federal-
10 aid highway or highway (as those terms are defined
11 in section 101 of title 23, United States Code)
12 project of a State that is eligible for funding under
13 chapter 1 of title 23, United States Code.

14 (4) SECRETARY.—The term “Secretary” means
15 the Secretary of Transportation.

16 (5) STATE.—The term “State” has the mean-
17 ing given the term in section 101(a) of title 23,
18 United States Code.

TITLE I—AMERICAN INFRASTRUCTURE BANK

3 SEC. 101. ESTABLISHMENT OF AMERICAN INFRASTRUC-
4 TURE BANK.

5 (a) ESTABLISHMENT.—

6 (1) IN GENERAL.—There is established as a
7 wholly owned Government corporation subject to
8 chapter 91 of title 31, United States Code (com-
9 monly known as the “Government Corporation Con-
10 trol Act”) (except as otherwise provided in this Act),
11 a bank to be known as the “American Infrastructure
12 Bank”.

22 (b) BOARD OF DIRECTORS.—

23 (1) MEMBERSHIP.—

(A) IN GENERAL.—The Bank shall have a bipartisan Board of Directors consisting of—

(i) 4 voting members, 1 of each who shall be appointed, by and with the advice and consent of the Senate—

(I) by the Majority Leader of the Senate, in consultation with the Chairperson of the Committee on Environment and Public Works of the Senate;

(II) by the Minority Leader of the Senate, in consultation with the Ranking Member of the Committee on Environment and Public Works of the Senate;

(III) by the Speaker of the House of Representatives, in consultation with the Chairperson of the Committee on Transportation and Infrastructure of the House of Representatives; and

(IV) by the Minority Leader of the House of Representatives, in consultation with the Ranking Member of the Committee on Transportation and Infrastructure of the House of Representatives; and

(ii) 1 non-voting member, who shall be the Secretary (or a designee).

(C) TERM.—A member of the Board shall
be appointed for a term of 3 years.

15 (E) VACANCIES.—A vacancy on the
16 Board—

(G) QUORUM.—A majority of the members of the Board shall constitute a quorum.

5 (I) COMPENSATION.—

(B) monitor and exercise oversight of core infrastructure projects as necessary to achieve the purposes of the Bank.

15 (C) to issue public benefit bonds and pro-
16 vide financing to core infrastructure projects
17 from amounts made available from the issuance
18 of those bonds;

19 (D) to make loan guarantees;

20 (E) to enter into agreements or contracts
21 with any individual or entity in support of the
22 business of the Bank;

23 (F) to purchase in the open market any
24 outstanding obligation of the Bank at any time
25 and at any price;

(G) to acquire, lease, pledge, exchange, and dispose of real and personal property and otherwise exercise all the usual incidents of ownership of property to the extent the exercise of those powers are appropriate to, and consistent with, the purposes of the Bank;

17 (J) to exercise all other lawful powers that
18 are necessary or appropriate to carry out, and
19 are consistent with, the purposes of the Bank.

20 (4) LIMITATIONS.—

4 (c) AUDITS; REPORTS.—

5 (1) ACCOUNTING.—The book of accounts of the
6 Bank shall be—

(A) maintained in accordance with generally accepted accounting principles; and

(B) subject to an annual audit by an independent public accountant that is—

19 (A) the operations of the Bank;

20 (B) a schedule of the obligations and out-
21 standing capital securities of the Bank, together
22 with a statement of the amounts issued and re-
23 deemed or paid during that fiscal year; and

24 (C) the status of core infrastructure
25 projects receiving funding or other assistance

1 pursuant to this Act, including disclosure of all
2 entities with a development, ownership, or oper-
3 ational interest in those core infrastructure
4 projects.

5 (3) BOOKS AND RECORDS.—

6 (A) IN GENERAL.—The Bank shall main-
7 tain adequate books and records to support the
8 financial transactions of the Bank, including a
9 description, to be maintained on a publically ac-
10 cessible database, of—

11 (i) each financial transaction of the
12 Bank and each core infrastructure project
13 that receives funding from the Bank; and
14 (ii) the amount of funding for each
15 core infrastructure project.

16 (B) AUDITS.—The books and records of
17 the Bank shall be—

18 (i) maintained in accordance with rec-
19 ommended accounting practices; and
20 (ii) open to inspection by the Com-
21 troller General of the United States.

22 **SEC. 102. STATE REMITTANCE AGREEMENTS WITH BANK.**

23 (a) IN GENERAL.—A State may enter into an agree-
24 ment of not less than 3 years with the Bank, under
25 which—

1 (1) the State agrees to remit not less than 60
2 percent of the total amount of funds received by the
3 State in each year of the 3-year period from the
4 Federal Government for Federal-aid highway activi-
5 ties under sections 119(d) and 133(b) of title 23,
6 United States Code;

7 (2) the Board will issue to the State funds from
8 the Bank received under section 202 in an amount
9 equal to 90 percent of the amount the State remit-
10 ted to the Bank under paragraph (1); and

11 (3) the State will use the funds received from
12 the Bank under paragraph (2) to carry out core in-
13 frastructure projects in accordance with subsection
14 (b).

15 (b) STATE DETERMINATION OF COMPLIANCE.—Not-
16 withstanding any other provision of law, in carrying out
17 a project under subsection (a)(3), a State shall—

18 (1) have the authority to determine whether the
19 State is in compliance with all Federal requirements
20 of—

21 (A) environmental approvals relating to the
22 project;

23 (B) environmental permits relating to the
24 project;

1 (C) section 313 of title 23, United States
2 Code;

(D) the development and construction of
the project, including—

5 (i) preliminary design;

(ii) right-of-way acquisition;

(iii) construction engineering; and

8 (iv) final acceptance of the project;

11 (F) project agreements and modifications
12 to project agreements; and

13 (G) consultant procurement services relat-
14 ing to the project;

21 (c) USE OF STATE-REMITTED FUNDS.—The Bank
22 shall use an amount equal to 10 percent of the funds re-
23 mitted to the Bank by States under subsection (a)(1) to
24 carry out section 103.

1 **SEC. 103. LOANS TO STATES AND UNITS OF LOCAL GOVERN-**

2 **MENT FOR TRANSPORTATION PROJECTS.**

3 (a) IN GENERAL.—The Bank may grant a loan to
4 a State or a unit of local government to carry out a core
5 infrastructure project in compliance with all applicable
6 Federal laws and requirements.

7 (b) SUBMISSION OF APPLICATIONS.—In order to be
8 eligible to receive a loan under subsection (a), a State or
9 unit of local government shall submit to the Board an ap-
10 plication at such time, in such manner, and containing
11 such information as the Board may reasonably require.

12 (c) INTEREST RATES FOR LOANS.—The Board
13 shall—

14 (1) set the interest rate for a loan provided
15 under subsection (a); and

16 (2) ensure that the interest rate remains at a
17 level that is more favorable than that of similar in-
18 frastructure loans available on the private market.

19 **TITLE II—CAPITALIZATION OF**
20 **BANK**

21 **SEC. 201. ALLOWANCE OF TEMPORARY DIVIDENDS RE-**
22 **CEIVED DEDUCTION FOR DIVIDENDS RE-**
23 **CEIVED FROM A CONTROLLED FOREIGN COR-**
24 **PORATION.**

25 (a) APPLICABILITY OF TEMPORARY DIVIDENDS RE-
26 CEIVED DEDUCTION.—

1 (1) IN GENERAL.—Subsection (f) of section 965
2 of the Internal Revenue Code of 1986 is amended to
3 read as follows:

4 “(f) ELECTION.—

5 “(1) IN GENERAL.—The taxpayer may elect to
6 apply this section to the 3-taxable year period begin-
7 ning with—

8 “(A) the taxpayer’s last taxable year which
9 begins before the date of the enactment of the
10 Build USA Act, or

11 “(B) the taxpayer’s first taxable year
12 which begins during the 1-year period beginning
13 on such date of enactment.

14 “(2) TIME FOR MAKING ELECTION.—Any elec-
15 tion made under this section shall be made on or be-
16 fore the due date (including extensions) for filing the
17 return of tax for the first taxable year in the 3-tax-
18 able year period described in paragraph (1).

19 “(3) DECLARATION OF AMOUNT REPATRI-
20 ATED.—An election under this section shall des-
21 ignate a limitation of the aggregate amount of divi-
22 dends to be taken into account under subsection (a)
23 during the 3-taxable year period.”.

24 (2) CONFORMING AMENDMENTS.—

10 (C) DETERMINATIONS RELATING TO BASE
11 PERIOD.—Section 965(c)(2) of such Code is
12 amended by striking “June 30, 2003” and in-
13 serting “December 31, 2014”.

14 (b) AMOUNT OF DEDUCTION.—Paragraph (1) of sec-
15 tion 965(a) of the Internal Revenue Code of 1986 is
16 amended by striking “85 percent” and inserting “81.4
17 percent”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years ending after the
20 date of the enactment of this Act.

21 SEC. 202. APPROPRIATIONS TO BANK.

22 (a) ESTIMATION OF REVENUES FROM REPATRI-
23 ATION.—Not later than 60 days after the date of enact-
24 ment of this Act, the Secretary of the Treasury (or the
25 Secretary's delegate) shall estimate the increase in the

1 amount of revenues to be received in the Treasury after
2 the date of enactment of this Act and before October 1,
3 2019, attributable to the amendments made by this title.

4 (b) APPROPRIATION.—Out of any money in the
5 Treasury not otherwise appropriated, there is hereby ap-
6 propriated to the Bank an amount equal to the amount
7 described in subsection (a), to remain available until ex-
8 pended.

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